

CITY OF FARGO EMPLOYEES PENSION PLAN
INVESTMENT PERFORMANCE REPORT AS OF OCTOBER 31, 2008

	October-08				September-08				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation Actual	Policy	Month Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Fiscal YTD Net ROR	FY08 (1) Net ROR	Ended 6/30/2008 Net ROR	Ended 6/30/2008 Net ROR
LARGE CAP DOMESTIC EQUITY												
<i>Structured Growth</i>												
LA Capital	961,968	4.1%	4.2%	-16.72%	1,115,645	4.2%	4.2%	-13.15%	-27.67%	N/A	N/A	N/A
Total Structured Growth	961,968	4.1%	4.2%	-16.72%	1,115,645	4.2%	4.2%	-13.15%	-27.67%	N/A	N/A	N/A
<i>Russell 1000 Growth</i>				-17.61%				-12.33%	-27.76%	N/A	N/A	N/A
<i>Structured Value</i>										N/A	N/A	N/A
LSV	874,906	3.8%	4.2%	-20.37%	1,060,893	4.0%	4.2%	-6.27%	-25.36%	N/A	N/A	N/A
<i>Russell 1000 Value</i>				-17.31%				-6.11%	-22.37%	N/A	N/A	N/A
<i>Enhanced Russell 1000 Index</i>										N/A	N/A	N/A
LA Capital	813,875	3.5%	3.5%	-15.79%	945,410	3.5%	3.5%	-9.44%	-23.74%	N/A	N/A	N/A
<i>Russell 1000</i>				-17.46%				-9.35%	-25.18%	N/A	N/A	N/A
<i>Enhanced S&P 500 Index</i>										N/A	N/A	N/A
Northern Trust	379,043	1.6%	1.8%	-18.02%	446,667	1.7%	1.8%	-6.80%	-23.60%	N/A	N/A	N/A
Westridge	850,914	3.7%	3.9%	-16.71%	986,368	3.7%	3.9%	-8.06%	-23.42%	N/A	N/A	N/A
Wells Capital	185,368	0.8%	2.7%	-36.09%	643,683	2.4%	2.7%	-24.53%	-51.77%	N/A	N/A	N/A
European Credit Management	273,030	1.2%	1.8%	-35.90%	411,467	1.5%	1.8%	-21.07%	-49.40%	N/A	N/A	N/A
Prudential	292,746	1.3%	1.9%	-36.10%	442,582	1.7%	1.9%	-25.46%	-52.37%	N/A	N/A	N/A
Franklin	384,484	1.6%	1.8%	-16.47%	444,125	1.7%	1.8%	-12.12%	-26.59%	N/A	N/A	N/A
Total Enhanced S&P 500 Index	2,365,585	10.2%	13.9%	-25.43%	3,374,891	12.6%	13.9%	-16.16%	-37.48%	N/A	N/A	N/A
<i>S&P 500</i>				-16.79%				-8.37%	-23.76%	N/A	N/A	N/A
<i>Absolute Return Strategy</i>										N/A	N/A	N/A
Epoch	624,545	2.7%	2.1%	-11.41%	489,584	1.8%	2.1%	-12.66%	-22.63%	N/A	N/A	N/A
<i>S&P 500</i>				-16.79%				-8.37%	-23.76%	N/A	N/A	N/A
<i>S&P 500 Index</i>										N/A	N/A	N/A
State Street	349,957	1.5%	2.1%	-17.05%	529,833	2.0%	2.1%	-11.64%	-26.70%	N/A	N/A	N/A
<i>S&P 500</i>				-16.79%				-8.37%	-23.76%	N/A	N/A	N/A
<i>Asset Allocation Overlay</i>												
Clifton (notional exposure \$534,920)	3,462	0.0%	0.0%	N/A								
<i>S&P 500</i>				-16.79%				-8.37%	-23.76%	N/A	N/A	N/A
TOTAL LARGE CAP DOMESTIC EQUITY	5,994,297	25.7%	30.0%	-20.71%	7,516,256	28.1%	30.0%	-13.07%	-31.07%	N/A	N/A	N/A
<i>S&P 500</i>				-16.79%				-8.37%	-23.76%	N/A	N/A	N/A
SMALL CAP DOMESTIC EQUITY												
<i>Manager-of-Managers</i>												
SEI	1,487,098	6.4%	7.2%	-22.59%	2,057,294	7.7%	7.2%	-1.30%	-23.60%	N/A	N/A	N/A
<i>Russell 2000 + 200bp</i>				-20.64%				-0.61%	-21.12%	N/A	N/A	N/A
Callan	633,699	2.7%	2.8%	-22.44%	815,544	3.0%	2.8%	-7.13%	-27.97%	N/A	N/A	N/A
<i>Russell 2000</i>				-20.80%				-1.11%	-21.68%	N/A	N/A	N/A
<i>Asset Allocation Overlay</i>												
Clifton (notional exposure \$507,557)	9,332	0.0%	0.0%	N/A								
<i>Russell 2000</i>												
TOTAL SMALL CAP DOMESTIC EQUITY	2,130,129	9.1%	10.0%	-22.55%	2,872,839	10.7%	10.0%	-2.98%	-24.85%	N/A	N/A	N/A
<i>Russell 2000</i>				-20.80%				-1.11%	-21.68%	N/A	N/A	N/A
INTERNATIONAL EQUITY												
<i>Large Cap - Core</i>												
State Street	191,446	0.8%	1.0%	-22.32%	246,256	0.9%	1.0%	-21.95%	-39.38%	N/A	N/A	N/A
<i>MSCI EAFE</i>				-20.18%				-20.56%	-36.59%	N/A	N/A	N/A
<i>Large Cap - Active</i>										N/A	N/A	N/A
Capital Guardian	639,230	2.7%	3.0%	-19.00%	792,474	3.0%	3.0%	-18.64%	-34.10%	N/A	N/A	N/A
LSV	600,025	2.6%	3.0%	-20.12%	750,368	2.8%	3.0%	-17.25%	-33.90%	N/A	N/A	N/A
Total Large Cap - Active	1,239,255	5.3%	7.0%	-19.55%	1,542,842	5.8%	7.0%	-17.97%	-34.01%	N/A	N/A	N/A
<i>MSCI EAFE - 50% Hedged</i>				-17.28%				-16.79%	-31.17%	N/A	N/A	N/A
<i>Small Cap - Active</i>										N/A	N/A	N/A
DFA	191,375	0.8%	1.0%	-21.76%	244,613	0.9%	1.0%	-20.80%	-38.03%	N/A	N/A	N/A
Wellington	184,456	0.8%	1.0%	-21.99%	236,202	0.9%	1.0%	-25.78%	-42.10%	N/A	N/A	N/A
Total Small Cap - Active	375,831	1.6%	2.0%	-21.87%	480,815	1.8%	2.0%	-23.33%	-40.10%	N/A	N/A	N/A
<i>S&P/Citigroup BMI EPAC < \$2BN</i>				-23.80%				-23.50%	-41.71%	N/A	N/A	N/A
<i>Asset Allocation Overlay</i>												
Clifton (notional exposure \$)	-	0.0%	0.0%	N/A								
<i>MSCI EAFE</i>												
TOTAL INTERNATIONAL EQUITY	1,806,531	7.8%	10.0%	-20.34%	2,269,913	8.5%	10.0%	-19.61%	-35.96%	N/A	N/A	N/A
<i>MSCI EAFE - 50% Hedged</i>				-17.28%				-16.79%	-31.17%	N/A	N/A	N/A
EMERGING MARKETS EQUITY												
<i>Core</i>												
JP Morgan	135,514	0.6%	0.9%	-25.95%	182,828	0.7%	0.9%	-22.87%	-42.88%	N/A	N/A	N/A
PanAgora	126,199	0.5%	0.9%	-28.82%	177,149	0.7%	0.9%	-27.52%	-48.41%	N/A	N/A	N/A
WestLB	131,842	0.6%	0.9%	-27.69%	181,797	0.7%	0.9%	-28.00%	-47.93%	N/A	N/A	N/A
UBS	169,784	0.7%	0.8%	-29.36%	240,973	0.9%	0.9%	-27.00%	-48.44%	N/A	N/A	N/A
Total Core	563,339	2.4%	3.4%	-28.05%	782,747	2.9%	3.5%	-26.44%	-47.08%	N/A	N/A	N/A
<i>MSCI Emerging Markets</i>				-27.35%				-26.86%	-46.86%	N/A	N/A	N/A

CITY OF FARGO EMPLOYEES PENSION PLAN
INVESTMENT PERFORMANCE REPORT AS OF OCTOBER 31, 2008

	October-08				September-08				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation Actual	Policy	Month Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Fiscal YTD Net ROR	FY08 (1) Net ROR	Ended 6/30/2008 Net ROR	Ended 6/30/2008 Net ROR
Small Cap												
DFA	128,958	0.6%	1.0%	-30.34%	185,135	0.7%	1.0%	-24.25%	-47.23%	N/A	N/A	N/A
MSCI Emerging Markets				-27.35%				-26.86%	-46.86%	N/A	N/A	N/A
Private Equity												
Capital International	106,590	0.5%	0.5%	0.00%	106,590	0.4%	0.4%	6.52%	6.52%	N/A	N/A	N/A
MSCI Emerging Markets				-27.35%				-26.86%	-46.86%	N/A	N/A	N/A
Infrastructure												
JP Morgan	50,440	0.2%	0.2%	0.00%	52,680	0.2%	0.2%	N/A	N/A	N/A	N/A	N/A
TOTAL EMERGING MARKETS EQUITY	849,327	3.6%	5.0%	-24.46%	1,127,152	4.2%	5.0%	-23.25%	-42.03%	N/A	N/A	N/A
MSCI Emerging Markets				-27.35%				-26.86%	-46.86%	N/A	N/A	N/A
DOMESTIC FIXED INCOME												
Core Bond												
Western Asset	387,724	1.7%	1.6%	-7.59%	517,696	1.9%	1.8%	-6.30%	-13.41%	N/A	N/A	N/A
Lehman Aggregate				-2.36%				-0.49%	-2.84%	N/A	N/A	N/A
Index												
Bank of ND	667,228	2.9%	2.0%	-2.29%	780,504	2.9%	2.5%	-1.64%	-3.90%	N/A	N/A	N/A
Total Index	667,228	2.9%	2.0%	-2.29%	780,504	2.9%	2.5%	-1.64%	-3.90%	N/A	N/A	N/A
Lehman Gov/Credit				-2.51%				-1.64%	-4.10%	N/A	N/A	N/A
Enhanced												
Westridge	502,057	2.2%	1.6%	6.42%	519,356	1.9%	1.6%	2.75%	9.35%	N/A	N/A	N/A
Lehman Aggregate				-2.36%				-0.49%	-2.84%			
Convertibles												
Calamos	379,618	1.6%	1.6%	-15.88%	516,491	1.9%	1.8%	-11.09%	-25.21%	N/A	N/A	N/A
Total Convertibles	379,618	1.6%	1.6%	-15.88%	516,491	1.9%	1.8%	-11.09%	-25.21%	N/A	N/A	N/A
Merrill Lynch All Convertibles				-17.99%				-17.56%	-32.39%	N/A	N/A	N/A
BBB Average Quality												
Wells Capital	499,668	2.1%	1.6%	-8.24%	565,680	2.1%	1.8%	-3.78%	-11.71%	N/A	N/A	N/A
Lehman BBB				-10.95%				-4.85%	-15.26%	N/A	N/A	N/A
Senior Debt												
PIMCO	278,763	1.2%	1.2%	0.00%	189,362	0.7%	0.7%	N/A	N/A	N/A	N/A	N/A
Lehman Aggregate				-2.36%				-0.49%	-2.84%	N/A	N/A	N/A
Private Debt												
Prudential	493,448	2.1%	1.6%	-2.21%	546,874	2.0%	1.8%	-1.79%	-3.96%	N/A	N/A	N/A
Lehman Aggregate				-2.36%				-0.49%	-2.84%	N/A	N/A	N/A
Timberland												
TIR - Teredo	668,004	2.9%	2.9%	-0.38%	696,517	2.6%	2.6%	-0.14%	-0.51%	N/A	N/A	N/A
TIR - Springbank	1,474,032	6.3%	6.3%	-0.26%	1,532,117	5.7%	5.7%	-0.43%	-0.69%	N/A	N/A	N/A
Total Timberland	2,142,036	9.2%	9.2%	-0.30%	2,228,633	8.3%	8.3%	-0.34%	-0.64%	N/A	N/A	N/A
NCREIF Timberland Index				0.33%				0.99%	1.32%	N/A	N/A	N/A
Infrastructure												
JP Morgan	1,072,793	4.6%	4.6%	-0.13%	1,113,084	4.2%	4.2%	3.31%	3.17%	N/A	N/A	N/A
Asset Allocation Overlay												
Clifton (notional exposure \$-908,157)	527	0.0%	0.0%	N/A								
Lehman Aggregate												
TOTAL DOMESTIC FIXED INCOME	6,423,862	27.6%	24.0%	-2.48%	6,977,678	26.1%	24.0%	-1.50%	-3.93%	N/A	N/A	N/A
Lehman Aggregate				-2.36%				-0.49%	-2.84%	N/A	N/A	N/A
HIGH YIELD BONDS												
Core												
Loomis Sayles	449,963	1.9%	1.7%	-17.44%	538,846	2.0%	1.9%	-12.73%	-27.95%	N/A	N/A	N/A
Sutter/Wells Capital	348,165	1.5%	1.7%	-36.09%	535,559	2.0%	1.9%	-6.97%	-40.55%	N/A	N/A	N/A
Total Core	798,128	3.4%	3.5%	-26.74%	1,074,405	4.0%	3.9%	-10.04%	-34.09%	N/A	N/A	N/A
LB High Yield 2% Issuer Contstrained Index				-16.09%				-8.56%	-23.27%	N/A	N/A	N/A
Mezzanine Debt												
Goldman Sachs 2006 Fund	34,710	0.1%	0.1%	0.00%	34,710	0.1%	0.1%	-6.02%	-6.02%	N/A	N/A	N/A
Goldman Sachs Fund V	54,905	0.2%	0.2%	0.00%	54,905	0.2%	0.2%	2.67%	2.67%	N/A	N/A	N/A
TCW	129,234	0.6%	0.6%	1.24%	96,781	0.4%	0.4%	2.02%	3.28%	N/A	N/A	N/A
Total Mezzanine Debt	218,849	0.9%	0.9%	0.64%	186,396	0.7%	0.7%	0.60%	1.25%	N/A	N/A	N/A
LB High Yield 2% Issuer Contstrained Index				-16.09%				-8.56%	-23.27%	N/A	N/A	N/A
Distressed Mortgages												
PIMCO	103,415	0.4%	0.4%	-8.78%	86,914	0.3%	0.3%	0.96%	-7.90%	N/A	N/A	N/A
Declaration Management	29,845	0.1%	0.1%	-2.00%	21,297	0.1%	0.1%	-3.65%	-5.96%	N/A	N/A	N/A
Total Distressed Mortgages	133,261	0.6%	0.6%	-7.52%	108,211	0.4%	0.4%	0.02%	-7.51%	N/A	N/A	N/A
LB High Yield 2% Issuer Contstrained Index				-16.09%				-8.56%	-23.27%			
TOTAL HIGH YIELD BONDS	1,150,238	4.9%	5.0%	-21.49%	1,369,012	5.1%	5.0%	-7.92%	-27.71%	N/A	N/A	N/A
LB High Yield 2% Issuer Contstrained Index				-16.09%				-8.56%	-23.27%	N/A	N/A	N/A
INTERNATIONAL FIXED INCOME												
International Sovereign												
UBS Global (Brinson)	680,632	2.9%	2.5%	-3.30%	703,694	2.6%	2.5%	-4.51%	-7.66%	N/A	N/A	N/A
Citigroup Non-US Gov't Bond Index				-2.54%				-4.25%	-6.69%	N/A	N/A	N/A

CITY OF FARGO EMPLOYEES PENSION PLAN
INVESTMENT PERFORMANCE REPORT AS OF OCTOBER 31, 2008

	October-08				September-08				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation Actual	Policy	Month Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Fiscal YTD Net ROR	FY08 (1) Net ROR	Ended 6/30/2008 Net ROR	Ended 6/30/2008 Net ROR
International Core												
Brandywine	658,157	2.8%	2.5%	-10.40%	734,400	2.7%	2.5%	-5.68%	-15.49%	N/A	N/A	N/A
Lehman Global Aggregate (ex-US)				-4.42%				-5.90%	-10.06%	N/A	N/A	N/A
TOTAL INTERNATIONAL FIXED INCOME	1,338,789	5.7%	5.0%	-6.93%	1,438,094	5.4%	5.0%	-5.11%	-11.69%	N/A	N/A	N/A
Citigroup Non-US Gov't Bond Index				-2.54%				-4.25%	-6.69%	N/A	N/A	N/A
REAL ESTATE												
INVESCO - Core	692,180			-0.03%	696,534			0.63%	0.59%	N/A	N/A	N/A
INVESCO - Fund II	48,969			-24.68%	13,359			-1.85%	-26.08%	N/A	N/A	N/A
J.P. Morgan Strategic & Special Funds	635,770			-0.03%	642,989			-1.95%	-1.98%	N/A	N/A	N/A
J.P. Morgan Alternative Property Fund	166,812			-4.90%	175,671			-0.60%	-5.48%	N/A	N/A	N/A
J.P. Morgan Greater China Property Fund	18,980			0.00%	18,980			-5.24%	-5.24%	N/A	N/A	N/A
TOTAL REAL ESTATE	1,562,711	6.7%	5.0%	-0.80%	1,547,535	5.8%	5.0%	-0.72%	-1.51%	N/A	N/A	N/A
NCREIF TOTAL INDEX				-0.06%				-0.17%	-0.23%	N/A	N/A	N/A
ALTERNATIVE INVESTMENTS												
Coral Partners V	61,913			0.00%	62,289			0.00%	0.00%	N/A	N/A	N/A
Coral Partners V - Supplemental	7,291			0.00%	7,275			10.51%	10.51%	N/A	N/A	N/A
Coral Momentum Fund (Formerly Fund VI)	119,426			0.00%	119,426			-4.97%	-4.97%	N/A	N/A	N/A
Brinson 1998 Partnership Fund	7,108			0.00%	7,108			-3.84%	-3.84%	N/A	N/A	N/A
Brinson 1999 Partnership Fund	21,841			0.00%	21,841			-2.15%	-2.15%	N/A	N/A	N/A
Brinson 2000 Partnership Fund	69,590			0.00%	69,590			-10.02%	-10.02%	N/A	N/A	N/A
Brinson 2001 Partnership Fund	62,331			0.00%	62,331			-1.08%	-1.08%	N/A	N/A	N/A
Brinson 2002 Partnership Fund	30,691			0.00%	30,691			-5.82%	-5.82%	N/A	N/A	N/A
Brinson 2003 Partnership Fund	12,018			0.00%	12,018			2.40%	2.40%	N/A	N/A	N/A
Total Brinson Partnership Funds	203,581			0.00%	203,581			-4.98%	-4.98%	N/A	N/A	N/A
Brinson 1999 Non-US Partnership Fund	9,671			0.00%	10,476			-1.11%	-1.11%	N/A	N/A	N/A
Brinson 2000 Non-US Partnership Fund	21,611			0.00%	23,329			-3.21%	-3.21%	N/A	N/A	N/A
Brinson 2001 Non-US Partnership Fund	15,958			0.00%	15,958			-8.05%	-8.05%	N/A	N/A	N/A
Brinson 2002 Non-US Partnership Fund	39,288			0.00%	41,777			-5.05%	-5.05%	N/A	N/A	N/A
Brinson 2003 Non-US Partnership Fund	35,906			0.00%	35,906			3.32%	3.32%	N/A	N/A	N/A
Brinson 2004 Non-US Partnership Fund	17,326			0.00%	17,326			-4.17%	-4.17%	N/A	N/A	N/A
Total Brinson Non-US Partnership Fund	139,760			0.00%	144,772			-2.76%	-2.76%	N/A	N/A	N/A
Adams Street 2008 Non-US Partnership Fd	3,535			0.00%	3,535			-3.86%	-3.86%	N/A	N/A	N/A
Brinson BVCF IV	112,187			0.00%	112,187			7.08%	7.08%	N/A	N/A	N/A
Adams Street Direct Co-investment Fund	123,412			0.00%	123,412			-3.78%	-3.78%	N/A	N/A	N/A
Matlin Patterson Global Opportunities	41,601			0.00%	41,601			-27.00%	-27.00%	N/A	N/A	N/A
Matlin Patterson Global Opportunities II	216,311			0.00%	216,311			-10.56%	-10.56%	N/A	N/A	N/A
Matlin Patterson Global Opportunities III	121,133			0.00%	121,133			1.13%	1.13%	N/A	N/A	N/A
InvestAmerica	54,374			0.00%	54,374			0.00%	0.00%	N/A	N/A	N/A
Hearthstone MSII	0			0.00%	0			-100.00%	-100.00%	N/A	N/A	N/A
Hearthstone MSIII	7,155			0.00%	7,155			-33.76%	-33.76%	N/A	N/A	N/A
Corsair III	68,084			0.00%	95,179			-6.63%	-6.63%	N/A	N/A	N/A
Corsair III - ND Investors LLC	72,734			0.00%	72,734			0.00%	0.00%	N/A	N/A	N/A
Quantum Resources	12,068			0.00%	1,725			-91.16%	-91.16%	N/A	N/A	N/A
Quantum Energy Partners	28,288			0.00%	21,384			-0.52%	-0.52%	N/A	N/A	N/A
TOTAL ALTERNATIVE INVESTMENTS (2)	1,392,853	6.0%	5.0%	0.00%	1,408,072	5.3%	5.0%	-5.93%	-5.93%	N/A	N/A	N/A
CASH EQUIVALENTS												
Northern Trust STIF	391,538			0.14%	86,972			0.49%	0.63%	N/A	N/A	N/A
Bank of ND	265,509			0.13%	141,513			N/A	N/A	N/A	N/A	N/A
TOTAL CASH EQUIVALENTS	657,046	2.8%	1.0%	0.13%	228,486	0.9%	1.0%	0.48%	0.62%	N/A	N/A	N/A
90 Day T-Bill				0.11%				0.63%	0.74%	N/A	N/A	N/A
TOTAL FUND	23,305,784	100.0%	100.0%	-13.16%	26,755,035	100.0%	100.0%	-8.60%	-20.63%	N/A	N/A	N/A
POLICY TARGET BENCHMARK				-11.71%				-6.80%	-17.72%	N/A	N/A	N/A

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) Initial funding with State Investment Board on December 28, 2007.

(2) Because of the variation in fee calculations in Alternative Investments, only net returns will be shown until June of each year when actual costs are known.